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The Honorable Jack Reed Chairman Committee on Armed Services U.S. Senate Washington, D.C. 20510 The Honorable Roger Wicker Ranking Member Committee on Armed Services U.S. Senate Washington, D.C. 20510

RE: ARSA Strongly Supports FY 2025 National Defense Authorization Act (S. 4638) Sec. 828

Dear Chairman Reed and Ranking Member Wicker:

The Aeronautical Repair Station Association (ARSA), the trade association for the aviation maintenance industry, strongly supports sec. 828 of the FY 2025 National Defense Authorization Act (S. <u>4638</u>) and urges you to ensure its inclusion in the final conference report.

ARSA's members are repair stations certificated by the Federal Aviation Administration pursuant to 14 CFR part <u>145</u> to perform maintenance, preventive maintenance, and alterations on U.S. registered civil aviation aircraft and related articles. Many of our members also provide aviation maintenance services to the Department of Defense (DoD) and branches of the military. In recent years, these maintainers have complained about being denied access to the maintenance data necessary to compete for and perform DoD maintenance contracts.

We believe the problem arises from DoD's failure to prioritize access to maintenance data for the department <u>and its contractors</u> at the time new aircraft are purchased. Additionally, some manufacturers have argued that the maintenance information necessary to keep DoD-owned aircraft operating safely is "detailed manufacturing or process data" and may therefore be withheld. This undermines competition for DoD aircraft maintenance contracts, which in turn leads to higher costs for taxpayers and potentially lower levels of readiness. The resulting consolidation of the defense industrial base is a risk to the entire supply chain at a time of unusual geopolitical volatility.<sup>1</sup>

ARSA is not alone in its concerns. In <u>an Aug. 28, 2024 editorial</u> on the website <u>DefenseOne</u>, Secretary of the Navy Carlos Del Toro wrote:

One key component to lowering sustainability cost is access to the technical data required to maintain our advanced weapons platforms. When the [Department of the Navy's (DON)] General Counsel convened the Taxpayer Advocacy Project two years ago to identify legal tools to protect DON interests in acquisition and sustainment, the team noted that <u>obtaining the technical data for certain aircraft programs would help facilitate cost reductions</u>.

<sup>&</sup>lt;sup>1</sup> The withholding of maintenance data by manufacturers is also a problem in civil aviation despite Federal Aviation Administration rules (e.g., 14 CFR sec. 21.50(b)) requiring this information to be made available. Sec. 349 of the recent FAA Reauthorization Act of 2024 (Pub. L. 118-<u>63</u>) directed the FAA to address the issue.

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The DON's contracting workforce now has leadership's clear guidance that <u>acquiring</u> technical data rights is a "must have" in our acquisition contracts.

Not surprisingly, this came as unwelcome news to several aircraft manufacturers with subsidiaries that the DON has been constrained to hire for maintenance that we could not do ourselves due to lack of technical data.

...

While we respect corporate leaders' right to manage their financial affairs, it is important to question the wisdom of prioritizing shareholder dividends and stock buybacks over necessary investments in underfunded shipyards and delayed shipbuilding programs. (Emphasis added.)

Earlier this year, ARSA requested that the committee include language in the FY 2025 NDAA clarifying that instructions for continued airworthiness, component maintenance manuals, and other technical data essential to the maintenance, preventive maintenance, rebuilding and alteration of government-owned aircraft are not detailed manufacturing or process data. Such data should be shareable with any party with whom the government wishes to contract for these services.

While sec. 828 is not specific to aviation, we believe it will send a clear message to the DOD, all branches of the armed forces, the contracting community, and taxpayers that maintenance data must be made available in the name of competition, cost reduction, and readiness.

Thank you for your consideration. ARSA stands ready to provide further information or otherwise support your efforts to enact sec. 828 as part of the FY 2025 NDAA.

Sincerely,

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cc: All members of the U.S. Senate Committee on Armed Services All members of the U.S. House of Representatives Committee on Armed Services